Atlanta's Cultural Investment Fund

Recommendations by the Arts and Culture Funding Task Force



March 21, 2007

Table of Contents

The Arts and Culture Funding Task Force	3
Situation Analysis	
Why Strive to be a World-Class Arts and Culture City?	4
The Path to World-Class Arts and Culture in Atlanta	5
Task Force Recommendations	
Overview	7
Recommendations on Fund Administration and Governance	8
Recommendations on Funding Distribution	11
Recommendations on Funding Source Principles	15
Other Recommendations	16
Appendix	17

The Arts and Culture Funding Task Force

In April 2006, Mayor Franklin formed the Arts and Culture Funding Task Force to make recommendations on the City's role in supporting arts and culture. The Mayor's charge to the Task Force was straightforward: determine how City investment can best help catapult Atlanta's arts and culture attractions to world-class stature.

Task Force members included philanthropic, civic, and business leaders from throughout the city, all of whom share a passion for Atlanta's arts and culture. The Task Force also benefited from advisors who brought deep expertise in the area of Atlanta arts and arts funding. A full list of Task Force members and advisors can be found in the appendix.

Over the course of several public meetings, the Task Force listened to presentations on the state of arts and culture funding, as well as possible approaches to achieving world-class status. The Task Force reviewed large sums of data on funding levels, successful solutions and best practices in other cities, and implications of various funding models. The Task Force worked in close partnership with The Schapiro Group, Inc., a data-driven strategic consulting firm in Atlanta. The Task Force also benefited from the research and guidance of Americans for the Arts, based in Washington, DC. Both organizations contributed a portion of their work pro bono.

The Task Force reached consensus on the approach described herein, which it has named the "Cultural Investment Fund."

Situation Analysis

Why Strive to be a World-Class Arts and Culture City?

A city is defined by its arts and cultural vibrancy. Arts and culture preserve and communicate our values, lift up voices throughout our city, challenge our conventions, and transform our city's space into a meaningful *place*. In these and many other ways, arts and culture enrich our lives.

World-class cities have many things in common, and one of these is a belief in the inherent virtue of arts and culture. This Task Force unites around the belief that arts and culture are intrinsically good. We also believe that enhancing arts and culture in Atlanta is one of several steps the City should take to reach world-class status, along with reviving the Peachtree Corridor and realizing the vision of the Beltline. We also recognize that arts and culture impart other positive benefits to both a city and its residents.

Positive educational outcomes hinge on arts and culture education. The Woodruff Arts Center's 2007 report "In Education and Economic Development – The Arts Count!" states that:

"Multiple independent studies have shown increased years of enrollment in arts courses are positively correlated with higher SAT verbal and math scores. High school students who take arts classes have higher math and verbal SAT scores than students who take no arts classes. More than 65 distinct relationships between the arts and academic and social outcomes are documented by the research compendium *Critical Links*. They include such associations as: visual arts instruction and reading readiness; dramatic enactment and conflict resolution skills; traditional dance and nonverbal reasoning; and learning piano and mathematics proficiency."

Arts and culture enable responsible urban development. Developments that bring together live, work and play opportunities into a single area rely on local artistic and cultural offerings to make these developments possible. A diverse array of arts and culture opportunities in the city is an important complement to the city's hospitality industry, allowing residents and visitors alike to stay within the city for their entertainment needs.

A vibrant arts and culture scene attracts a talented workforce. Human capital is the primary determinant of a region's economic health. Recognizing this, many cities are initiating concerted efforts to attract the young, educated, professional workforce that is often described as the "creative class." As one of the key components of quality-of-life, arts and culture offerings are central to attracting these highly mobile knowledge-workers. This workforce is key to driving the kind of innovations in business and technology that make a city economically successful.

Arts and culture create substantial economic impact. The 1997 economic census showed that arts and culture organizations in metro Atlanta accounted for more than 24,000 jobs and a \$700 million direct impact on the economy¹. Americans for the Arts finds that, "As of January 2006, Georgia is home to 15,372 arts-related businesses that employ 79,831 people." A 2001 study by the metro Atlanta Regional Arts Task Force reported that "every dollar contributed to nonprofit arts organizations generates 13 additional dollars of economic impact." Surveys have also shown that cultural tourists spend more money and stay longer in their destination than other types of tourists. The Georgia State Legislature's 2006 House Study Committee on Funding of the Arts reported that "The arts support a healthy economy... [it is] big business—an important engine for our state's economy."

Arts and culture make for an exciting tourist destination. The Georgia State Legislature's 2006 House Study Committee on Funding of the Arts finds that "Funding arts programs and organizations will help Georgia compete more successfully for tourism dollars against other states. This funding... will help draw more visitors, thus increasing tourism dollars." Atlanta is known for its convention industry, which attracts many tourists to the city. As noted earlier, however, cultural tourists stay longer and spend more. There is much room for Atlanta to grow its tourism industry by attracting more cultural tourists to complement its many business visitors.

There is widespread agreement that the City's current spending on arts and culture—about \$4 for each resident in 2005—is simply too little for us to realize many of the benefits described above, and is a major understatement of the value that Atlanta residents place on arts and culture. This Task Force created the Cultural Investment Fund to remedy this problem because arts and culture are inherently worthwhile and therefore essential to the future of this city.

The Path to World-Class Arts and Culture in Atlanta

Atlanta has a burgeoning arts scene made up of exciting, high-quality, and diverse organizations and artists. Our city is poised to emerge as world-class. Propelling Atlanta into the echelon of world-class arts and culture cities is possible, but it requires the coordinated efforts of the arts and culture community, the philanthropic and corporate communities, government, and most importantly, Atlanta's residents.

One characteristic of a world-class arts and culture city is an ambitious, focused public funding mechanism that enables arts and culture nonprofits to serve the public at a truly world-class level. In Atlanta, this means investing in nonprofits that increase access to and enhance the presence of arts and culture in the city. While conventional wisdom holds that a public fund is the final step in the pursuit of citywide artistic and cultural excellence, it is in reality one of the necessary first steps in triggering this coordinated effort.

Thus, the Mayor's Arts and Culture Funding Task Force recommends establishing a dedicated public fund in Atlanta whose objectives are to increase access to and enhance the presence of arts and culture in the city. This "Cultural Investment Fund" would provide a source of dependable operating support for high-merit nonprofit arts and culture organizations that develop successful and creative methods of accomplishing these objectives. The Cultural Investment Fund would also achieve these objectives through targeted arts and culture grants to a broader array of the city's nonprofits.

¹ As reported by Woodruff Arts Center's "In Education and Economic Development – The Arts Count!" published in 2007

Increasing access to arts and culture in Atlanta means that all residents, especially children and traditionally underserved residents of the city, will be able to enjoy Atlanta's rich artistic and cultural offerings. Enhancing the presence of arts and culture will benefit residents and visitors alike as the Atlanta arts and culture scene strengthens and plays an even more prominent role in the city's identity.

The Cultural Investment Fund is designed to ignite a chain reaction leading to a world-class arts and culture city. With the fund in place:

- O Local demand for arts and culture will increase, creating support for capital improvements to arts and cultural facilities in the city.
- O Children and adults throughout Atlanta will develop a deep appreciation of arts and culture and pride in the city's world-class status.
- O Atlanta's attractiveness to visitors and the economic activity they contribute will be amplified by the availability of new and improved arts and cultural offerings.
- O Atlanta's private sector will have greater incentive than ever to invest in the city's arts and culture nonprofits.
- O Atlanta's philanthropic community will have the opportunity to meet the challenge set forth by the fund.
- Atlanta's Office of Cultural Affairs can focus even more closely on the kinds of public policy initiatives and City-operated programs that are absolutely critical to a world-class arts and culture city.

Task Force Recommendations

Overview

- The Task Force recommends that the Cultural Investment Fund be administered so that it
 benefits residents first and foremost, not arts and culture organizations, and also draws
 visitors to the city. Supporting organizations is the means to realizing the fund's goals, not
 the end.
- The Task Force **defines "arts and culture"** to encompass a broad and expanding range of organizations in the arts—including traditional forms such as classical music, ballet, opera, theatre, dance, and visual art—as well as folk and popular art from American and world cultures, festivals, and organizations and facilities that serve to enhance the public's understanding of the humanities, zoology, and the sciences.
- The Cultural Investment Fund is **consistent with the City's Community Cultural Plan**, and builds on the extensive community engagement efforts of the planning process. The plan specifically calls for enhanced public funding for arts and culture.
- The Task Force recommends funding for the Cultural Investment Fund of \$10 million² annually to fulfill its goals of increasing access to and enhancing the presence of arts and culture in Atlanta. For reference purposes:
 - O As of 2005, the latest year for which population data are available, \$10 million would equate to the City investing \$21.25 annually for each resident of Atlanta. This puts Atlanta above and beyond the per capita arts spending in all of Mayor Franklin's comparison cities³ (the closest being Denver, which grants \$9.20 per capita), and in the top 15% nationally. Atlanta's per capita investment is reflective of its small population relative to the number of people served by the community's arts and culture institutions.
 - o In terms of total grant program funding, however, \$10 million puts Atlanta in the close company of Miami—another of the Mayor's cities—which grants over \$11 million annually to arts and culture. Only Denver grants more total dollars to arts and culture among the Mayor's cities, over \$23 million.
- The Task Force recommends that the Cultural Investment Fund's funding source should produce reliable revenue that is appropriated **directly** to the Fund, as part of the City's annual budgetary process. Based on successful arts and culture funds around the nation, the Task Force favors an **earmarked index of a dedicated funding source** (e.g., a percentage of a new or existing City tax) that is somehow tied to the hospitality and tourism industries.
- Due to the Cultural Investment Fund's unique mission, the Task Force recommends that a new **not-for-profit organization**, separate from the City's Office of Cultural Affairs, be created to manage it. Establishing a new nonprofit organization also opens the possibility of **future regional participation** in the fund.

-

² 2006 dollars

³ The Mayor's comparison cities include Denver, Miami, Sacramento, Long Beach, New Orleans, Fresno, Kansas City, Albuquerque, and Las Vegas.

Recommendations on Fund Administration and Governance

The Cultural Investment Fund should be administered wisely. Credibility among the public, political leadership, and the arts community is critical. This credibility is earned through sound management, a politically neutral granting process, sufficient political oversight of and accountability for public funds, and an openness to cooperate with other cities or counties that might want to join the fund in the future. The following recommendations are intended to help the Cultural Investment Fund reach these outcomes.

- 1. The Task Force recommends that the Cultural Investment Fund be managed through a **not-for-profit organization** which, for federal income tax purposes, is an instrumentality of the City. The organization would be administered separately from the Office of Cultural Affairs. The Task Force makes this recommendation for several important reasons:
 - 1.1. The bulk of work done by OCA and comparable offices across the nation revolves around programming, developing partnerships, and effecting policy. The Cultural Investment Fund can do none of these things. Other cities recognize this, which is why it is best practice to operate cultural affairs offices and sizeable arts and culture granting initiatives independently.
 - 1.2. Other metro Atlanta cities or counties might express interest in contributing to the Cultural Investment Fund in the future, a practice that is increasingly common around the nation. This kind of **regional cooperation** can only occur if the fund is managed separately from city government.
 - 1.3. Support for dedicated arts and cultural funding is critically important from any industry that would be affected by a tax used to support the fund. This form of organization—emphasizing consistent, independent grantmaking—would be most appealing to leadership of the affected industries.
 - 1.4. The Cultural Investment Fund will be supported by an earmarked portion of a dedicated funding source. General fund appropriations to the Office of Cultural Affairs (OCA), which go toward critical services that are *not* addressed by this fund, need to be preserved. General fund appropriations to OCA are used to fund a variety of successful programs, policy initiatives, and cooperative efforts that the Cultural Investment Fund *cannot* address. Creation of the fund should not jeopardize continued funding for these critical OCA functions.
- The Task Force recommends that an oversight board of 9 political, artistic, business, and community leaders supervise the administrative organization to ensure accountability to the Mayor and City Council.
 - 2.1. The oversight board's role is to set policy for the organization, establish an annual budget for the organization as well as allocations to the three grant categories (recommendations 14.6, 15.6, 16.5), appoint the members of the grantmaking board (recommendation 3) and serve as the liaison to City government.
 - 2.2. The oversight board should consist of the Mayor (or a designee from the Mayor's cabinet) and the President of City Council, as well as 7 appointees.

2.2.1. Oversight board appointments should last for 4 years, and appointees other than the Mayor (or the Mayor's designee from cabinet) and the President of City Council cannot serve consecutive terms. Oversight board appointments must coincide with Mayoral and City Council inauguration; therefore, members of the first oversight board might serve terms shorter than 4 years.

Appointments would be made as follows:

- 2.2.1.1. 4 appointments by the Mayor.
- 2.2.2. 3 appointments by the City Council; 1 appointee should reside in each of the following District clusters (which correspond to the 3 At-Large seats): 1-4, 5-8, and 9-12.
- 2.2.3. All oversight board appointments should be made within 6 months of the Mayoral and City Council inauguration.
- 3. Best practices and the Task Force recommend that all grant awards be made by a volunteer **grantmaking board** appointed by the oversight board.
 - 3.1. The grantmaking board should consist of **28 citizens, business and community** leaders, and artists. This board should make funding decisions that are in the best interest of cultivating a world-class arts and culture city, and to do so it must operate in a politically neutral environment. While the Mayor, City Council President, and City Council will either serve or be represented on the oversight board, the grantmaking board should not include City employees or officials.
 - 3.1.1. The grantmaking board should be divided into 4 7-person panels, one each for Engagement Grants and Aspiration Grants, and two for Vitality Grants (one to make nominations for small organizations, the other for medium-size organizations).
 - 3.2. Grantmaking board **appointments should last for 4 years**, with appointments staggered on a 2-year basis (meaning that every two years, approximately half of the board is replaced). Appointees could not serve consecutive terms.
- 4. To assure the independence of the grant process, the **oversight board should accept or reject each panel's grant recommendations on an all-or-none basis.** It should not accept or reject individual grants.
 - 4.1. In the event that a grantmaking panel's nominations are rejected by the oversight board, the grantmaking and oversight boards should work expeditiously to ensure that grants are issued on time, ideally producing a set of accepted nominations within one month of the initial rejection.
 - 4.2. The Task Force recognizes that, while the oversight board includes representation by the Mayor, President of City Council, and City Council appointees, both the Mayor and the City Council are ultimately responsible for this and all uses of City funds.
- 5. The City should develop a conflict of interest policy that applies to appointees to both the oversight and grantmaking boards.

- 6. The Task Force also recommends that a staff with experience in arts and finance initially reviews all proposals for fit, technical eligibility, and other due diligence. Staff would then serve as a resource to the grantmaking board, and would also serve as a resource to the oversight board in helping develop annual budgets, etc. The staff should collaborate with other grantmaking organizations to maximize the use of community knowledge and resources. A member of this staff will also be designated as a liaison to the Office of Cultural Affairs.
- 7. The Cultural Investment Fund should be operated transparently and reviewed regularly.
 - 7.1. Documents related to granting and evaluation should be publicly disseminated on an annual basis. This includes listing of grantees and grant amounts, as well as the results of evaluations of the Fund.
 - 7.2. The Cultural Investment Fund should be **independently reviewed** every 5 years, and funding for this review should come from a reserve of no less than 1% of each year's budget to ensure that the review is conducted adequately and professionally. The review will ensure that several objectives are being met: the strategies adopted by grantee organizations to increase access to and presence of arts and culture in Atlanta are effective, the granting process is fair and efficient, and the fund is administered properly.

Recommendations on Funding Distribution

The Cultural Investment Fund is so named because the Task Force seeks to invest in—rather than donate to—Atlanta's nonprofit arts and culture organizations. Investments should always be identified through a competitive process where longstanding and emerging organizations of all types and sizes are responsible for coming up with successful and innovative methods of accomplishing the purpose of the fund: increasing access to and enhancing the presence of arts and culture in the city. The Task Force also seeks to ensure that all of the City's investment dollars are leveraged to their fullest extent by encouraging contributions from as many other sources as possible.

- 8. The Cultural Investment Fund should have an initial \$10 million⁴ annual budget for grants and administration. Necessary administrative expenses should be paid from this amount, acting as an incentive to keep administrative costs low.
 - 8.1. The City can build up to this recommended amount over time if necessary, though the fund needs a minimum of \$4 million to start⁵. However, it would be inadvisable to implement all 3 grant programs initially if the funding level is too low to permit *effective* funding of each.
 - 8.2. Administrative expenses should be in line with those of other *granting* nonprofits and foundations; appropriate administrative benchmarks should be set by the oversight board.
- 9. **All grant funding should be competitive**; there should be no guaranteed funding to organizations or individuals.
- 10. The most important criterion for awarding grants is the grantee's ability to develop successful and creative methods of increasing access to and enhancing the presence of world-class caliber arts and culture in the city.
- 11. Grants must be used for **program and operating expenses**. Grants cannot be used for capital expenditures.
- 12. All grants over \$5,000 require **1:1 matching**. Applicants should show how they intend to use the matching requirement to leverage new private giving.
- 13. The fund provides **three forms of support**: Vitality Grants, Aspiration Grants, and Engagement Grants.

-

^{4 2006} dollars

⁵ The fund should, at a minimum, provide a stabilizing funding source for small and medium-size arts and culture organizations as described in 14.2. This is accomplished through Vitality Grants, which require a minimum of \$4 million annually

14. Vitality Grants

- 14.1. The Task Force intends for this form of support to be a **stabilizing funding source** for small and medium-size arts and culture organizations that show high artistic merit, sound administration, and viable plans to <u>increase access to and enhance the presence of arts and culture</u> in the city.
- 14.2. All grantee organizations must be **nonprofit "arts and culture" organizations** with less than \$10 million in annual revenue that are headquartered and operate within the city of Atlanta.
- 14.3. All grantee organizations must be **established for 4 years** with evidence of a sound financial and administrative history *or* must have received 2 separate (1 per year) Aspiration Grants over \$1,000.
- 14.4. Vitality Grants should be **allocated on a 2-year cycle**. In order to receive year-two funding, grantees must prove that year-one funding was used for its intended purposes.
 - 14.4.1. The oversight board may want to consider *not* issuing Vitality Grants in the first year of the fund, and instead apply the saved year-one revenue to the *next* year's Vitality Grants. This way, 2-year Vitality Grants are issued based on existing funding rather than anticipated funding from the following year.
- 14.5. **Re-granting organizations, including those that support individual artists**, can apply for Vitality Grants.
- 14.6. The annual budget allocation for Vitality Grants should ideally range from \$4-6 million annually (which equates to \$8-12 million in vitality grants issued at once, every other year). The oversight board should adjust this allocation as necessary.
- 14.7. Three main factors affect how organizations compete for Vitality Grants, as well as the size of grant they can receive:
 - 14.7.1. Except in unusual cases, a Vitality Grant should not represent more than 20% of an organization's budget.
 - 14.7.2. **The smaller an organization, the higher the proportion** of its budget that can come from a Vitality Grant. Only the smallest organizations might reasonably expect a Vitality Grant that approaches 20% of their budget.
 - 14.7.3. Applicants should **compete with like-sized organizations for Vitality Grants**. This is why two panels from the grantmaking board make Vitality Grant nominations, one for small organizations and the other for medium-size organizations.
- 14.8. Based on known current public funding recipients in Atlanta, the Task Force estimates that half of Vitality Grant dollars will go to grants for small organizations and half to medium-size organizations. The oversight board should adjust allocations to the panels reviewing small and medium-size organization grants as necessary.

12

^{6 2006} dollars

15. Aspiration Grants:

- 15.1. The Task Force intends for this form of support to provide **occasional funding** to arts and culture organizations of all sizes that do not receive Vitality Grants, individual artists, and an array of organizations that are not primarily "arts and culture." All grantees must show how funding increases access to and enhances the presence of arts and culture in the city.
- 15.2. All grantee organizations must be **nonprofit organizations**, but they do not have to be "arts and culture."
- 15.3. All grantees must fall into one of the following categories: 1) organizations that are headquartered and operate within the city of Atlanta, 2) individual artists who reside in the city of Atlanta, or 3) a nonprofit arts and culture organization or individual artist from outside the city of Atlanta, as long as the Aspiration Grant is for a program specifically for Atlanta public schoolchildren.
- 15.4. All grantees must show evidence of **sound financial history** and administration.
- 15.5. Aspiration Grants should be awarded every year.
- 15.6. The annual budget allocation for Aspiration Grants should ideally range from \$1-3 million⁷ annually. The oversight board should adjust this allocation as necessary.
- 15.7. The **grantmaking board should decide** how many grant dollars will be available through each of the Aspiration Grant types below.
- 15.8. The Task Force recommends establishing the following **Aspiration Grant types**, whose purpose is to focus directly on increasing access to and enhancing the presence of arts and culture in the city.
 - 15.8.1. **Emerging Artists and Arts and Culture Organizations**: to nurture new artists and arts and culture organizations that have been established no longer than 4 years.
 - 15.8.2. **Neighborhood Arts and Culture Grants**: to encourage neighborhoods throughout Atlanta to cultivate local arts and culture. Any "neighborhood" organization, incorporated or otherwise, should be able to apply for funding for neighborhood arts and culture initiatives.
 - 15.8.3. **Public Arts Performances**: to ensure that artists and arts and culture organizations can find one-time support for initiatives that increase access to or enhance the presence of arts and culture in the city.
 - 15.8.4. **Arts and Culture Festivals**: to encourage more arts and culture festivals beyond those already produced by the City through support of organizations that can create and administer them.
 - 15.8.5. **Artists in Schools**: to get talented artists providing programming to and instruction for students in schools. This can include direct support to individual artists as well as nonprofit organizations—including schools—that seek to coordinate artists in schools.
 - 15.8.6. **Arts and Culture through Non-Arts Organizations**: to ensure that nonprofits that are *not* arts and culture organizations can fund one-time support for initiatives that increase access to or enhance the presence of the arts and culture in the city.

1	6.	Eng	gag	em	ent	Gr	ants:
---	----	-----	-----	----	-----	----	-------

13

^{7 2006} dollars

- 16.1. The Task Force intends for this form of support to provide funding for the city's large, distinguished nonprofit arts and culture organizations with more than \$10 million in annual revenue.
- 16.2. Engagement Grants should only be used for specific, innovative programs designed to increase public access to arts and culture organizations that are headquartered and operate within the city of Atlanta.
- 16.3. Engagement Grants require 1:1 earmarked private matching from corporate, foundation, or individual sponsors.
- 16.4. Engagement Grants should be **allocated on a 2-year cycle**. In order to receive year-two funding, grantees must prove that year-one funding was used for its intended purposes.
 - 16.4.1. The oversight board can consider *not* issuing Engagement Grants in the first year of the fund, and instead apply the saved year-one revenue to the *next* year's Engagement Grants. This way, 2-year Engagement Grants are issued based on existing funding rather than anticipated funding from the following year.
- 16.5. The annual budget allocation for Engagement Grant funding should ideally range from \$2-4 million ⁸ annually (which equates to \$4-8 million in engagement grants issued at once, every other year). The oversight board can adjust this allocation as necessary.
- 16.6. An engagement grant to an organization should not exceed \$1 million⁹ for the 2-year period.

^{8 2006} dollars

^{9 2006} dollars

Recommendations on Funding Source Principles

The enhancements to arts and culture in Atlanta from the Cultural Investment Fund will benefit the city's residents and tourists, as well as the local businesses that profit from increased tourism and entertainment attendance. Therefore, *ideally* the revenue that makes the Cultural Investment Fund possible should be derived from all these beneficiaries through a portion of a dedicated tax. The funding source needs to be stable and appropriate.

- 17. The most desirable scenario is to fund the Cultural Investment Fund through a public revenue source that benefits from increased arts and culture patronage.
- 18. Furthermore, in this scenario the Cultural Investment Fund uses revenue generated by an earmarked portion of a dedicated funding source (e.g., a percentage of a new or existing City tax). This allows the funding level to adjust up and down over time with the local economy.
- 19. This dedicated funding source should not impair the ability of Atlanta's businesses to compete regionally or nationally.
- 20. This dedicated funding source should yield stable annual revenues year-to-year.
- 21. Ideally, the funding source should tap residents of the city as well as tourists, as the fruits of the fund benefit both of these groups. Additionally, the ideal tax should be progressive and consistent in nature with the arts and culture fund.
- 22. The funding source should ideally be tied to the hospitality and tourism industries, and any new tax initiative should only move forward with the backing of leadership from the affected industries.

Other Recommendations

If implemented together with and alongside the Cultural Investment Fund, the following recommendations will achieve other outcomes that are critical to a world-class arts and culture city. These outcomes include ensuring governmental efficiency, initiating capital funding to enable public access to arts and culture, and enacting public policies that facilitate world-class arts and culture.

- 23. Establishing this public fund is a necessary, but not sufficient step in transforming Atlanta into a world-class arts and culture city. The Task Force recognizes that the following steps are equally critical to this transformation.
 - 23.1. OCA must continue to serve the city as it currently does now, with one exception: to prevent duplicative City services, the Task Force recommends discontinuing OCA Contracts for Arts Services once the Cultural Investment Fund begins issuing grants. All other OCA functions fall outside the scope of the Cultural Investment Fund, and therefore the City must continue to fund these functions separate from the Cultural Investment Fund. OCA must also continue to operate its successful programming since much of it is only possible through OCA's efforts to engage corporate sponsors and other partners throughout the city. The Cultural Investment Fund cannot fulfill these functions, and Atlanta taxpayers should not bear the full burden of funding these successful programs.
 - 23.2. OCA should enhance its support for **public art** by using the funding that currently goes to Contracts for Arts Services for the creation and maintenance of public art installments and public art galleries. This revenue, which comes from a percentage of the hotel-motel tax, amounted to \$600,000 in 2006. This support is in addition to the funding that currently goes toward public art in Hartsfield-Jackson International Airport, and also in addition to the proposed funding for public art along the BeltLine and the Peachtree Corridor.
 - 23.3. World-class arts and culture cities must adopt **public policies** that are favorable to arts and culture. These policies can range from economic incentives for arts and culture organizations to zoning ordinances that open the door for public art. The fund and its administrators cannot address these public policy needs. The Task Force recommends the fund with the understanding that OCA will continue to serve as the nucleus for efforts to develop these types of policies.
 - 23.4. Continued and enhanced **capital funding** for arts and culture facilities in the city is a necessary ingredient for a world-class arts and culture city. The Task Force sees a need for enhanced community leadership on this effort since operating support from the fund is specifically intended to increase public demand for arts and culture. One possible route is issuing capital improvement bonds through the Atlanta Development Authority. Cities such as Tempe, Dallas, Charlotte, and Miami are investing \$67, \$68, \$80, and \$450 million, respectively, in capital funding for arts and culture facilities.
 - 23.5. The Task Force recommends that Atlanta's philanthropic and corporate communities continue to do what they can to enhance funding for arts and culture, providing balance in response to the commitment that the City will make through the fund. Specific measures include building arts endowments and exploring the establishment of a "United Arts Fund."

Appendix

Task Force members

Penelope McPhee, Chair
The Arthur M. Blank Family Foundation

Dr. Andrea Barnwell, Vice Chair Spelman College Museum of Fine Art

Judy Anderson Georgia Power

Dianne Harnell Cohen, Liaison to Mayor Franklin (ex officio) City of Atlanta, Department of Parks, Recreation, and Cultural Affairs

Virginia Hepner GHL, LLC

Thomas M. Holder Holder Construction Company

Ben F. Johnson III

Alston and Bird

Raymond King SunTrust

John Kreidler Cultural Initiatives Silicon Valley

Dick Layton
A.G. Edwards and Sons, Inc.

Michael Marsicano Foundations for the Carolinas

Ingrid Saunders Jones The Coca-Cola Company

Steve Smith
Turner Broadcasting System, Inc.

Isaiah Tidwell Private Investor

Carol Tome
The Home Depot

Task Force advisors

John Ahmann *Ahmann, Inc.*

Dr. John Bare

The Arthur M. Blank Family Foundation

Kenny Blank

The Arthur M. Blank Family Foundation

Lisa Cremin

Metro Atlanta Arts Fund

Tiffany Friesen *Ahmann, Inc.*

Camille Love

City of Atlanta, Office of Cultural Affairs

Bill Nigut

Metro Atlanta Arts and Culture Coalition

Veronica Williams Njoku Fulton County Arts Council

Barbara Saunders

The Arthur M. Blank Family Foundation

Consulting team

Dr. Beth Schapiro The Schapiro Group

Dr. Alex Trouteaud *The Schapiro Group*

Dr. Michael Rushton *Indiana University*

Randy Cohen

Americans for the Arts